

**IN THE UNITED STATES DISTRICT COURT FOR
THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA,
Plaintiff,

v.

HOME CARE HOSPICE, INC.,
ALEX PUGMAN, MATVEI KOLODECH,
MALVINA YAKOBASHVILI AND
SVETLANA GANETSKY
Defendants.

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Civil Action No. 08-4711

**LIMITED RESPONSE OF DEFENDANTS PUGMAN AND GANETSKY
TO UNITED STATES OF AMERICA’S MOTION TO
RELEASE RESTRAINED ACCOUNTS HELD IN THE NAME OF,
OR CONTROLLED BY, DFENDANTS PUGMAN AND GANETSKY**

Defendants, Alex Pugman and Svetlana Ganetsky, by and through their undersigned counsel, hereby file a limited response to the United States of America’s Motion to Release Restrained Accounts Held In the Name of, or Controlled by, Defendants Pugman and Ganetsky, Docket No. 55 (the “Motion”) and in support hereof aver as follows:

1. Defendants, Alex Pugman (“Pugman”) and Svetlana Ganetsky (“Ganetsky”) do not object in principle to the relief sought in the Motion.
2. As the United States maintains in the Motion, Pugman and Ganetsky and the United States have entered into a settlement agreement in the qui tam action captioned as *United States ex rel. Maureen Fox and Cathy Gonzales v. Homecare Hospise, Inc.*, et al, Docket No. 06-4679 (E.D. Pa.) (the “Pugman Settlement Agreement”).

3. Pursuant to the Pugman Settlement Agreement, Pugman and Ganetsky have agreed to release and relinquish their interest in the frozen bank accounts held, among other things, in their names. To effectuate such release, Pugman and Ganetsky executed a release and transfer of their interest in such frozen accounts in favor of the United States and delivered such release to the United States. Hence, Pugman and Ganestky no longer control such frozen accounts and, in accordance with the Pugman Settlement Agreement, the United States is responsible for facilitating the actual receipt of the funds held in such frozen accounts.
4. Furthermore, the Pugman Settlement Agreement provides in pertinent part that the United States will release funds to pay Pugman and Ganetsky's federal and state taxes on the income attributable the frozen funds for the tax year 2015.
5. Pugman and Ganetsky are in the process of preparing and filing their federal and state income tax returns and, as of the date hereof, do not know the amount of their income tax obligations pertaining to the frozen funds.
6. Therefore, the United States must retain sufficient funds in the frozen accounts to cover all of Pugman and Ganetskys's income taxes on the income derived from the frozen funds for the tax year 2015.

WHEREFORE, for the foregoing reasons, Pugman and Ganetsky respectfully request that this Court require the United States to create a reserve out of the frozen funds held in the names of Pugman and Ganetsky in such amount as may be sufficient to pay any and all federal and state income taxes on the income attributable to the frozen funds for the tax year 2015.

ANDERSON KILL P.C.

By: /s/ Inez M. Markovich, Esquire

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*Attorneys for Defendants Alex Pugman
and Svetlana Ganetsky*

Date: March 2, 2016

CERTIFICATE OF SERVICE

I hereby certify that on this date I caused a true and correct copy of the Limited Response of Defendants Pugman and Ganetsky to United States of America's Motion to Release Restrained Accounts held in the name of, or controlled by, Defendants Pugman and Ganetsky to be served via ECF upon:

Eric D. Gill, AUSA
Office of the United States Attorney
615 Chestnut Street
Suite 1250
Philadelphia, PA 19106

Jack J. McMahon, Jr., Esquire
Law Office of Jack McMahon
1500 Walnut Street, Suite 1100
Philadelphia, PA 19102
Attorney for Defendants Matthew Kolodesh & Malvina Yakobashvili

To be served via first class mail, postage prepaid, upon:

Steven F. Marino, Esquire
Marino Associates
301 Wharton Street
Philadelphia, PA 19147
Attorney for non-party Relators Maureen Fox and Cathy Gonzales

Dated: March 2, 2016

/s/
Inez M. Markovich, Esquire